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UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,
Plaintiff,
v.
HOON NAMKOONG,
Defendant.

NO **CR18-081 RSM**
INFORMATION
(Felony)

The United States Attorney charges that:

COUNT 1
(Conspiracy to Violate the Lacey Act)

A. Overview

1. Defendant HOON NAMKOONG owns and operates one of Washington's largest purchasers and exporters of California Sea Cucumbers ("sea cucumbers"). Federal, state and tribal authorities cooperate to preserve the Puget Sound sea cucumber fishery by limiting the annual harvest to a sustainable level. As described herein, HOON NAMKOONG conspired with others to circumvent this management plan by systematically underreporting the sea cucumber harvest. In so doing, between August 2014 and November 2016, HOON NAMKOONG enriched himself while causing sea

1 cucumbers to be substantially overharvested in an amount with a market value of
2 approximately \$1.5 million.

3 **B. Background**

4 2. Sea cucumbers are harvested in marine areas in Washington State and
5 elsewhere. Once harvested, sea cucumbers may be dried or salted, and are a popular
6 ingredient in Asian cuisine and for use as a dietary supplement.

7 3. The sea cucumber dive harvest in Washington State is divided into tribal
8 and non-tribal managed sectors. Annual harvest management agreements allocate equal
9 shares of total allowable catch between tribal and non-tribal sectors. Each sector is
10 allotted a sub-quota of the total amount of sea cucumbers that state and tribal biologists
11 have determined can be harvested on an annual basis from Washington State waters.

12 4. Sea cucumbers are classified as "shellfish" under Washington State law.
13 RCW 77.12.047. Washington State law requires that all persons originally receiving
14 shellfish in Washington State (excluding retail transactions) be licensed wholesale fish
15 buyers. Washington State law also requires that licensed wholesale fish buyers
16 immediately, completely, and accurately complete a fish receiving ticket (fish ticket), for
17 each and every purchase or receipt of shellfish. WAC 220-352-180(1)(b)(i). If the
18 wholesale fish buyer purchases the sea cucumbers from a fisher who is a licensed tribal
19 fish buyer, a fish ticket must be filled out by the licensed wholesale fish buyer if the tribal
20 fish buyer has not already filled out a fish ticket and provided a copy of the ticket or the
21 ticket number to the secondary receiver as proof. WAC 220-352-180(1)(b)(ii). The
22 secondary receiver must have a copy of the fish ticket or documentation of the purchase
23 including the amount and species of the fish or shellfish purchased. These records must
24 be retained for three years. RCW 77.15.568(3).

25 5. The fish ticket must be signed by both the fisher and wholesale fish buyer,
26 under penalty of perjury. Completed fish tickets must be sent by the wholesale fish buyer
27 to the Washington State Department of Fish and Wildlife (WDFW) or the Northwest
28 Indian Fisheries Commission, depending on whether the fish ticket is a treaty fish ticket

1 (i.e. fisher of federally recognized Indian Tribe) or non-treaty fish ticket. These entities
2 use the data from the fish tickets to manage quotas and set harvest limits.

3 6. Failure to properly and accurately prepare a fish ticket, or to submit the
4 ticket as required, is a violation of Washington State law. RCW 77.15.630 (unlawful
5 fish/shellfish catch accounting).

6 7. Tribal laws, including the laws of the Lummi Nation, likewise require the
7 accurate reporting on fish tickets of the sea cucumber harvest. Section 10.07.240 of the
8 Lummi Nation Code of Laws requires that the seller and the buyer in any fish or shellfish
9 sale must ensure that the sale is accurately reported on the fish ticket.

10 8. At all times material to the Information, Orient Seafood Production (OSP)
11 was a Fife, Washington-based wholesale seafood business owned and controlled by
12 defendant HOON NAMKOONG. OSP was a licensed wholesale fish buyer under
13 Washington State law, and the business of OSP included the purchase, transportation,
14 processing, sale and export of sea cucumbers.

15 9. HOON NAMKOONG was engaged in the business of purchasing,
16 processing, selling, exporting and transporting fish, including sea cucumbers.
17 HOON NAMKOONG's activities were facilitated in part through his ownership and
18 operation of OSP.

19 **C. The Agreement**

20 10. Beginning on a date unknown, but no later than August 2014, and
21 continuing until on or about November 21, 2016, at Whatcom County, within the
22 Western District of Washington, and elsewhere, defendant HOON NAMKOONG did
23 knowingly conspire, combine, confederate and agree with other persons both known and
24 unknown to the United States Attorney to: (a) violate Section 3372(a)(1) and (2) of the
25 Lacey Act by knowingly engaging in conduct that involved the transportation, sale, and
26 acquisition of sea cucumbers with a market value in excess of \$350, and knowingly sold,
27 and transported those sea cucumbers in interstate and foreign commerce, knowing that
28 the sea cucumbers had been taken, possessed, transported and sold in violation of

1 Washington State law and Lummi Tribal law; and (b) violate Section 3372(d) of the
2 Lacey Act by making and submitting false records for sea cucumbers with a market value
3 in excess of \$350, which were and were intended to be transported in interstate and
4 foreign commerce.

5 **D. Manner and Means of the Conspiracy**

6 11. The defendant and his co-conspirators used the following means and acted
7 in the following manner, among others, to effect the conspiracy:

8 a. It was part of the conspiracy that HOON NAMKOONG arranged
9 with state and tribal fishers to purchase sea cucumbers at various locations within the
10 Western District of Washington.

11 b. It was further part of the conspiracy that HOON NAMKOONG
12 purchased sea cucumbers from state and tribal fishers and intentionally underreported the
13 total amount purchased on corresponding fish tickets, as described below:

14 i. HOON NAMKOONG purchased sea cucumbers partially by
15 check and partially in cash. On those occasions, HOON NAMKOONG wrote a check for
16 less than the total amount of the purchase. HOON NAMKOONG paid cash for the
17 remainder of the total amount of the purchase. HOON NAMKOONG and
18 co-conspirators prepared and submitted fish tickets to state and tribal authorities, which
19 fraudulently reported less than the total amount of sea cucumbers purchased, and often
20 purposefully omitted those sea cucumbers purchased in cash.

21 ii. HOON NAMKOONG purchased sea cucumbers from
22 co-conspirators for which HOON NAMKOONG and his co-conspirators failed to prepare
23 and submit any corresponding fish tickets.

24 iii. HOON NAMKOONG and his co-conspirators prepared and
25 submitted to state and tribal authorities fish tickets for less than the total amount of sea
26 cucumbers purchased by HOON NAMKOONG on a given day.

27 c. It was further part of the conspiracy that HOON NAMKOONG
28 transported the sea cucumbers he purchased from the harvest locations to his facility in
Fife, Washington for processing by drying, salting and other means.

d. It was further part of the conspiracy that HOON NAMKOONG sold
and caused to be sold, and transported and caused to be transported, and exported and

1 caused to be exported, the processed sea cucumbers, which had not been reported on fish
2 tickets, in interstate and foreign commerce to commercial wholesale seafood buyers in
3 the United States and Asia.

4 **E. Representative Overt Acts**

5 12. In furtherance of the conspiracy and in order to achieve the objectives
6 thereof, HOON NAMKOONG and other co-conspirators known and unknown to the
7 grand jury committed the following representative overt acts.

8 a. On or about August 12, 2014, in Clallam County, HOON
9 NAMKOONG wrote a check to fisher C.S. in the amount of \$8,495. HOON
10 NAMKOONG's production log shows that this check was for the purchase of 2,173
11 pounds of sea cucumbers.

12 b. On or about August 12, 2014, in Clallam County, HOON
13 NAMKOONG completed a fish ticket for the above purchase, which showed a purchase
14 of 1,997 pounds of sea cucumbers for a total price of \$7,988.

15 c. On or about September 3, 2015, in Whatcom County, HOON
16 NAMKOONG wrote a check to fisher C.F. for \$2,935. The memo line of the check
17 indicated the payment was for 1,387 pounds of product and contained the notation "paid
18 \$4000 cash."

19 d. On or about September 3, 2015, in Whatcom County, C.F.
20 completed a fish ticket for the above purchase, which showed a purchase of 552 pounds
21 of sea cucumber for a total price of \$2,760.

22 13. By the foregoing conduct, defendant caused the sea cucumber harvest to be
23 underreported by approximately 250,000 pounds, and those unreported sea cucumbers
24 had a market value of approximately \$1.5 million. The unreported sea cucumbers
25 amounted to between approximately 10 and 20 percent of the total 2014-14 and 2015-15
26 Washington State sea cucumber harvest quota. By underreporting the harvest,
27 HOON NAMKOONG caused the harvest of sea cucumbers at a level substantially in
28 excess of that allowed under the management plan for the fishery.

1 All in violation of Title 18, United States Code, Section 371.

2 **FORFEITURE ALLEGATION**

3 14. The allegations contained in Count 1 of this Information are hereby re-
4 alleged and incorporated by reference for the purpose of alleging forfeitures pursuant to
5 Title 16, United States Code, Section 3374 and Title 28, United States Code, Section
6 2461(c), and Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United
7 States Code, Section 2461(c).

8 15. Upon conviction of Conspiracy to Violate the Lacey Act, in violation of
9 Title 18, United States Code, Section 371, the Defendant shall forfeit to the United States,
10 pursuant to Title 16, United States Code, Section 3374 and Title 28, United States Code,
11 Section 2461(c), any and all property that was involved in and/or facilitated the offense,
12 including but not limited to:

13 a. all wildlife imported, exported, transported, sold, received,
14 acquired, or purchased contrary to the provisions of Title 16, United States Code, Section
15 3372, or any regulation issued pursuant thereto; and,

16 b. all vehicles, vessels and other equipment used to aid in the
17 importing, exporting, transporting, selling, receiving, acquiring, or purchasing of wildlife.
18 Pursuant to Title 16, United States Code, Section 3374(c), the Defendant shall be liable
19 for all costs the United States has incurred for the storage, care, and maintenance of
20 wildlife seized in connection with the alleged violations.


21 16. Upon conviction of Conspiracy to Violate the Lacey Act, in violation of
22 Title 18, United States Code, Section 371, the Defendant shall also forfeit to the United
23 States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28,
24 United States Code, Section 2461(c), any and all proceeds the Defendant obtained as a
25 result of the offense, including but not limited to:

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1 c. A sum of money in the amount of \$1,499,999, reflecting the
2 proceeds the Defendant obtained as a result of the offense.

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4 DATED: March 30th, 2018

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